

lied, maintained by irrefragable facts and arguments.

The civilized world will see in these proceedings a spirit of liberal concession on the part of the United States; and this government will be relieved from all responsibility which may follow the failure to settle the controversy.

All attempts at compromise having failed, it becomes the duty of Congress to consider what measures it may be proper to adopt for the security and protection of our citizens now in that territory. In adopting measures for this purpose, care should be taken that nothing be done to violate the stipulations of the convention of 1827, which is still in force.—The faith of treaties, in the letter and spirit, has ever been, and I trust, will ever be, scrupulously observed in the United States. Under that convention, a year's notice is required to be given by either party to the other, before the joint occupancy shall terminate, and before either can rightfully assert or exercise exclusive jurisdiction over any portion of the territory. This notice it would, in my judgment, be proper to give; and I recommend that provision be made by law for giving it accordingly, and terminating, in this manner, the convention of the sixth of August, 1827.

It will become proper for Congress to determine what legislation they can, in the meantime, adopt without violating this convention. Beyond all question, the protection of our laws and our jurisdiction, civil and criminal, ought to be immediately extended over our citizens in Oregon. They have had just cause to complain of our long neglect in this particular, and have, in consequence, been compelled, for their own security and protection, to establish a provisional government for themselves. Strong in their allegiance and ardent in their attachment to the United States, they have been thus cast upon their own resources. They are anxious that our laws should be extended over them, and I recommend that this be done by Congress with as little delay as possible, in the full extent to which the British Parliament have proceeded in regard to British subjects in that territory, by their act of July the second, 1821, "for regulating the fur-trade, and establishing a criminal and civil jurisdiction within certain parts of North America." By this act Great Britain extended her laws and jurisdiction, civil and criminal, over her subjects engaged in the fur-trade in that territory. By it, the courts of the province of Upper Canada were empowered to take cognizance of causes civil and criminal. Justices of the peace and other judicial officers were authorized to be appointed in Oregon, with power to execute all process issuing from the courts of that province, and to "sit and hold courts of record for the trial of criminal offences and misdemeanors," not made the subject of capital punishment, and also of civil cases, where the cause of action shall not exceed in value the amount or sum of two hundred pounds.

Subsequent to the date of this act of Parliament, a grant was made from the "British crown" to the Hudson's Bay Company, of the exclusive trade with the Indian tribes in the Oregon territory, subject to a reservation that it shall not operate to the exclusion "of the subjects of any foreign States who, under or by force of any convention for the time being, between us and such foreign States respectively, may be entitled to, and shall be engaged in, the said trade."

It is much to be regretted, that, while under this act British subjects have enjoyed the protection of British laws and British judicial tribunals throughout the whole of Oregon, American citizens, in the same territory, have enjoyed no such protection from their government. At the same time, the result illustrates the character of our people and their institutions. In spite of this neglect, they have multiplied, and their number is rapidly increasing in that territory. They have made no appeal to arms, but have peacefully fortified themselves in their new homes, by the adoption of republican institutions for themselves; furnishing another example of the truth that self-government is inherent in the American breast, and must prevail. It is due to them that they should be embraced and protected by our laws.

It is deemed important that our laws regulating trade and intercourse with the Indian tribes east of the Rocky mountains, should be extended to such tribes as dwell beyond them.

The increasing emigration to Oregon, and the care and protection which is due from the government to its citizens in that distant region, make it our duty, as it is our interest, to cultivate amicable relations with the Indian tribes of that territory. For this purpose, I recommend that provision be made for establishing an Indian agency, and such sub-agencies as may be deemed necessary, beyond the Rocky mountains.

For the protection of emigrants whilst on their way to Oregon, against the attacks of the Indian tribes occupying the country through which they pass, I recommend that a suitable number of stockades and block-house forts be erected along the usual route between our frontier settlements on the Missouri and the Rocky mountains; and that an adequate force of mounted riflemen be raised to guard protect them on their journey. The immediate adoption of these recommendations by Congress will not violate the provisions of the existing treaty. It will be doing nothing more for American citizens than British laws have long since done for British subjects in the same territory.

It requires several months to perform the voyage by sea from the Atlantic States to Oregon; and although we have a large number of whale ships in the Pacific, but few of them afford an opportunity of interchanging intelligence, without great delay, between our settlements in that dis-

tant region and the United States. An overland mail is believed to be entirely practicable; and the importance of such a mail, at least once a month, is submitted to the favorable consideration of Congress.

It is submitted to the wisdom of Congress to determine whether, at the present session, and until the expiration of the year's notice, any other measures may be adopted, consistently with the convention of 1827, for the security of our rights, and the government and protection of our citizens in Oregon. That it will ultimately be wise and proper to make liberal grants of land to the patriotic pioneers, who, amidst privations and dangers, lead the way through savage tribes inhabiting the vast wilderness intervening between our frontier settlements and Oregon, and who cultivate, and are ever ready to defend the soil, I am fully satisfied. To doubt whether they will obtain such grants as soon as the convention between the United States and Great Britain shall have ceased to exist, would be to doubt the justice of Congress; but, pending the year's notice, it is worthy of consideration whether a stipulation to this effect may be made, consistently with the spirit of that convention.

The recommendations which I have made, as to the best manner of securing our rights in Oregon, are submitted to Congress with great deference. Should they, in their wisdom, devise any other mode better calculated to accomplish the same object, it shall meet with my hearty concurrence.

At the end of the year's notice, we shall have reached a period when the national rights in Oregon must either be abandoned or firmly maintained. That they cannot be abandoned without a sacrifice of both national honor and interest, is too clear to admit of doubt.

Oregon is a part of the North American continent, to which it is confidently affirmed, the title of the United States is the best now in existence. For the grounds on which that title rests, I refer you to the correspondence of the late and present Secretary of State with the British plenipotentiary during the negotiation. The British proposition of compromise, which would make the Columbia the line south of forty-nine degrees, with a trifling addition of detached territory to the United States, north of that river, and would leave on the British side two-thirds of the whole Oregon territory, including the free navigation of the Columbia and all the valuable harbors on the Pacific, can never, for a moment, be entertained by the United States, without an abandonment of their just and clear territorial rights, their own self-respect, and the national honor. For the information of Congress, I communicate herewith the correspondence which took place between the two governments during the late negotiation.

The rapid extension of our settlements over our territories heretofore unoccupied; the addition of new States to our confederacy; the expansion of free principles, and our rising greatness as a nation, are attracting the attention of the Powers of Europe; and lately the doctrine has been broached in some of them, of a "balance of power" on this continent, to check our advancement. The United States, sincerely desirous of persevering relations of good understanding with all nations, cannot in silence permit any European interference on the North American continent; and should any such interference be attempted, will be ready to resist it at all and all hazards.

It is well known to the American people and to all nations, that this government has never interfered with the relations of other governments. We have never made ourselves parties to their wars or their alliances; we have not sought their territories by conquest; we have not mingled with parties in their domestic struggles; and believing our own form of government to be the best, we have never attempted to propagate it by intrigues, by diplomacy, or by force. We may claim on this continent a like exemption from European interference. The nations of America are equally sovereign and independent with those of Europe. They possess the same rights, independent of all foreign interposition, to make war, to conclude peace, and to regulate their internal affairs. The people of the United States cannot, therefore, view with indifference attempts of European powers to interfere with the independent action of the nations on this continent.—The American system of government is entirely different from that Europe, lest any one of them might become too powerful for the rest, has caused them anxiously to desire the establishment of what they term the "balance of power." It cannot be permitted to have any application on the North American continent, and especially to the United States. We must ever maintain the principle, that the people of this continent alone have the right to decide their own destiny. Should any portion of them, constituting an independent state, propose to unite themselves with a confederacy, this will be a question for them and us to determine, without any foreign interposition. We can never consent that European Powers shall interfere to prevent such a union, because it might disturb the "balance of power" which they may desire to maintain upon this continent. Near a quarter of a century ago, the principle was distinctly announced to the world in the annual message of one of my predecessors, that "the American continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European Power." This principle will apply with greatly increased force, should any European power attempt to establish any new colony in North America. In the existing circumstances of the world, the present is deemed a proper occasion to reiterate and re-

affirm the principle avowed by Mr. Monroe, and to state my cordial concurrence in its wisdom and sound policy. The re-assertion of this principle, especially in reference to North America, is at this day but the promulgation of a policy which no European power should cherish the disposition to resist. Existing rights of every European nation should be respected; but it is due alike to our safety and our interests, that the efficient protection of our laws should be extended over our whole territorial limits, and that it should be distinctly announced to the world as our settled policy, that no future European colony or dominion shall, with our consent, be planted or established on any part of the North American continent.

A question has recently arisen under the tenth article of the subsisting treaty between the United States and Prussia.—By this article the consuls of the two countries have the right to sit as judges and arbitrators "in such differences as may arise between the captains and crews of the vessels belonging to the nations whose interest are committed to their charge, without the interference of the local authorities, unless the conduct of the crews or of the captain should disturb the order or tranquility of the country; or the said consuls should require their assistance to cause their decisions to be carried into effect or supported."

The Prussian consul at New Bedford, in June, 1844, applied to Mr. Justice Story to carry into effect a decision made between the captain and crew of the Prussian ship Borussia; but the request was refused on the ground that, without previous legislation by Congress, the judiciary did not possess the power to give effect to this article of the treaty. The Prussian government, through their minister here, have complained of this violation of the treaty, and have asked the government of the United States to adopt the necessary measures to prevent similar violations hereafter. Good faith to Prussia, as well as to other nations with whom we have similar treaty stipulations, requires that these should be faithfully observed. I have deemed it proper, therefore, to lay the subject before Congress, and to recommend such legislation as may be necessary to give effect to these treaty obligations.

By virtue of an arrangement made between the Spanish government and that of the United States, in December, 1831, American vessels, since the twenty-ninth of April, 1832, have been admitted to entry in the ports of Spain, including those of the Balearic and Canary islands, on payment of the same tonnage duty of 5 cents per ton, as though they had been Spanish vessels; and this, whether our vessels arrive in Spain directly from the United States, or indirectly from any other country. When Congress, by the act of the thirteenth of July, 1832, gave effect to his arrangement between the two governments, they confined the reduction of tonnage duty merely to Spanish vessels "coming from a port in Spain," leaving the former discriminating duty to remain against such vessels coming from a port in any other country. It is manifestly unjust that, whilst American vessels, arriving in the ports of Spain, from other countries, pay no more duty than Spanish vessels, Spanish vessels arriving in the United States from other countries should be subjected to heavy discriminating tonnage duties. This is neither equality nor reciprocity, and is in violation of the arrangement concluded in December, 1831, between the two countries.—The Spanish government have made repeated and earnest remonstrances against this inequality, and the favorable attention of Congress has been several times invoked to the subject by my predecessors. I recommend, as an act of justice to Spain, that this inequality be removed by Congress, and that the discriminating duties which have been levied under the act of the thirteenth of July, 1832, on Spanish vessels coming to the United States from any other country, be refunded. This recommendation does not embrace Spanish vessels arriving in the United States from Cuba and Porto Rico, which will still remain subject to the provisions of the act of June thirtieth, 1834, concerning the tonnage-duty on such vessels.

By the act of the fourteenth of July, 1832, coffee was exempted from duty altogether. This exemption was universal, without reference to the country where it was produced, or the national character of the vessel in which it was imported. By the tariff act of the thirtieth of August, 1842, this exemption from duty was restricted to coffee imported in American vessels from the place of its production; whilst coffee imported under all other circumstances was subjected to a duty of twenty per cent. *ad valorem*. Under this act, and our existing treaty with the King of the Netherlands, Java coffee imported from the European ports of that kingdom into the United States, whether in Dutch or American vessels, now pays this rate of duty. The government of the Netherlands complains that such a discriminating duty should have been imposed on coffee, the production of one of its colonies, and which is briefly brought from Java to the ports of that kingdom, and exported from thence to foreign countries. Our trade with the Netherlands is highly beneficial to both countries, and our relations with them have ever been of the most friendly character. Under all circumstances of the case, I recommend that this discrimination should be abolished, and that the coffee of Java imported from the Netherlands be placed upon the same footing with that imported directly from Brazil and other countries where it is produced.

Under the eighth section of the tariff act of the thirtieth of August, 1842, a duty of fifteen cents per gallon was imposed on Port wine in casks; while, on the red wines of several other countries,

when imported in casks, a duty of only six cents per gallon was imposed. This discrimination, so far as regarded the Port wine of Portugal, was deemed a violation of our treaty with that Power, which provides, that "No higher or other duties shall be imposed on the importation into the United States of America of any article the growth, produce, or manufacture of the kingdom and possessions of Portugal, than such as are or shall be payable on the like article being the growth, produce, or manufacture of any other foreign country." Accordingly, to give effect to the treaty, as well as to the intention of Congress, expressed in a proviso to the tariff act itself, that nothing therein contained should be so construed as to interfere with subsisting treaties with foreign nations, a treasury circular was issued on the sixteenth of July, 1833, which, among other things, declared the duty on the Port wine of Portugal, in casks, under the existing laws and treaty, to be six cents per gallon, and directed that the excess of duties which had been collected on such wine should be refunded. By virtue of another clause in the same section of the act, it is provided that all imitations of Port, or any other wines, "shall be subject to the duty provided for the genuine article." Imitations of Port wine, the production of France, are imported to some extent into the United States; and the government of that country now claims that, under a correct construction of the act, these imitations ought not to pay a higher duty than that imposed upon the original Port wine of Portugal. It appears to me to be unequal and unjust, that French imitations of Port wine should be subjected to a duty of fifteen cents, while the more valuable article from Portugal should pay a duty of six cents only per gallon. I therefore recommend to Congress such legislation as may be necessary to correct the inequality.

The last President, in his annual message of December last, recommended an appropriation to satisfy the claims of the Texan government against the United States, which had been previously adjusted, so far as the powers of the Executive extend. These claims arose out of the act of disarming a body of Texan troops under the command of Major Snively, by an officer in the service of the United States, acting under the orders of our government; and the forcible entry into the custom house at Baitary's landing, on Red river, by certain citizens of the United States, and taking away therefrom the goods seized by the collector of the customs as forfeited under the laws of Texas. This was a liquidated debt, ascertained to be due to Texas when an independent state. Her acceptance of the terms of annexation proposed by the United States does not discharge or invalidate the claim. I recommend that provision be made for its payment.

The commissioner appointed to China during the special session of the Senate in March last shortly afterwards set out on his mission in the United States ship Columbus. On arriving at Rio de Janeiro on his passage, the state of his health had become so critical, that, by the advice of his medical attendants, he returned to the United States early in the month of October last. Commodore Biddle, commanding the East India squadron, proceeded on his voyage in the Columbus, and was charged by the Commissioner with the duty of exchanging with the proper authorities the ratifications of the treaty lately concluded with the Emperor of China. Since the return of the Commissioner to the United States, his health has been improved, and he entertains the confident belief that he will soon be able to proceed on his mission.

Unfortunately, differences continue to exist among some of the nations of South America, which, following our example, have established their independence, while in others internal dissensions prevail. It is natural that our sympathies should be warmly enlisted for their welfare; that we should desire that all controversies between them should be amicably adjusted, and their governments administered in a manner to protect the rights, and promote the prosperity of their people. In is contrary, however, to our settled policy, to interfere in their controversies, whether external or internal.

I have thus adverted to all the subjects connected with our foreign relations, to which I deem it necessary to call your attention. Our policy is not only peace with all, but good will towards all the Powers of the earth. While we are just to us, we require that all shall be just to us. Excepting the differences with Mexico and Great Britain, our relations with all civilized nations of the most satisfactory character. It is hoped that in this enlightened age, these differences may be amicably adjusted.

The Secretary of the Treasury, in his annual report to Congress, will communicate a full statement of the condition of our finances. The imports for the fiscal year ending on the thirtieth of June last, were of the value of one hundred and seventeen millions two hundred and fifty-four thousand five hundred and sixty-four dollars, of which the amount exported was fifteen millions three hundred and forty-six thousand eight hundred and thirty dollars—leaving a balance of one hundred and seven million nine hundred and thirty-four thousand five hundred and ninety-nine dollars for domestic consumption. The exports for the same year were of the value of one hundred and fourteen millions six hundred and forty-six thousand six hundred and six dollars; of which, the amount of domestic articles was ninety-nine million two hundred and ninety thousand seven hundred and ninety six dollars. The receipts into the treasury during the same year were twenty

nine millions seven hundred and sixty-nine thousand one hundred and thirty-three dollars and fifty-six cents, of which: three were derived from customs, twenty-seven thousand and twenty-two dollars and thirty cents; and from incidental and miscellaneous sources, one hundred and sixty-three thousand nine hundred and ninety-eight dollars and fifty-six cents. The expenditures for the same period were twenty-nine millions nine hundred and sixty-eight thousand two hundred and six dollars and ninety-eight cents; of which, eight millions five hundred and eighty-eight thousand one hundred and fifty seven dollars and sixty two cents were applied to the payment of the public debt. The balance in the treasury on the first of July last, was seven millions six hundred and fifty-eight thousand three hundred and six dollars and twenty-two cents.

The amount of the public debt remaining unpaid on the first of October last, was seventeen millions seventy-five thousand four hundred and forty-five dollars and fifty two cents. Further payments of the public debt would have been made, in anticipation of the period of its reimbursement under the authority conferred upon the Secretary of the Treasury by the acts of July twenty-first, 1841, and of April fifteenth, 1842, and March third, 1844, had not the unsettled state of our relations with Mexico menaced hostile collision with that power. In view of such a contingency, it was deemed prudent to retain in the treasury any amount unusually large for ordinary purposes.

A few years ago, our whole national debt growing out of the Revolution and the war of 1812 with Great Britain was extinguished, and we presented to the world the rare and noble spectacle of a great and growing people who had fully discharged every obligation. Since that time, the existing debt has been contracted; and small as it is, in comparison with the similar burdens of most other nations, it should be extinguished at the earliest practicable period. Should the state of the country permit, and, especially, if our foreign relations interpose no obstacle, it is contemplated to apply all the moneys in the treasury as they accrue beyond what is required for the appropriations by Congress, to its liquidation. I cherish the hope of soon being able to congratulate the country on its recovering once more the lofty position which it so recently occupied. Our country, which exhibits to the world the benefits of self-government, in developing all the sources of national prosperity, owes to mankind the permanent example of a nation free from the blighting influence of a public debt.

The attention of Congress is invited to the importance of making suitable modifications and reductions of the rates of duty imposed by our present tariff laws. The object of imposing duties on imports should be to raise revenue to pay the necessary expenses of government. Congress may, undoubtedly, in the exercise of a sound discretion, discriminate in arranging the rates of duty on different articles; but the discriminations should be within the revenue standard, and be made with the view to raise money for the support of government.

It becomes important to understand distinctly what is meant by a revenue standard, the maximum of which should not be exceeded in the rates of duty imposed. It is conceded, and experience proves, that duties may be laid so high as to diminish, or prohibit altogether, the importation of any given article, and thereby lessen or destroy the revenue which, at lower rates, would be derived from its importation. Such duties exceed the revenue rates, and are not imposed to raise money for the support of government. If Congress levy a duty for revenue, of one per cent. on a given article it will produce a given amount of money to the treasury, and will incidentally and necessarily afford protection, or advantage, to the amount of one per cent. to the home manufacturer of a similar or like article over the importer.—If the duty be raised to ten per cent. it will produce a greater amount of money, and afford greater protection. If it be still raised to twenty, twenty-five, or thirty per cent. and if, as it is raised, the revenue derived from it is found to be increased, the protection or advantage will also be increased; but if it be raised to thirty-one per cent. that the revenue produced at that rate is less than at thirty per cent. it ceases to be a revenue duty. The precise point in the ascending scale of duties at which it is ascertained from experience that the revenue is greater, is the maximum rate of duty which can be laid for the *bona fide* purposes of collecting money for the support of government. To raise the duties higher than that point, and thereby diminish the amount collected, is to levy them for protection merely, and not for revenue. As long, then, as Congress may gradually increase the rate of duty on a given article, and the revenue is increased by such increase of duty, they are within the revenue standard. When they go beyond that point, and, as they increase the duties, the revenue is diminished or destroyed, the act ceases to have for its object the raising of money to support government, but it is for protection merely.

It does not follow that Congress should levy the highest duty on all articles of import which they will bear within the revenue standard; for such rates would probably produce a much larger amount than the economical administration of the government would require. Nor does it follow that the duties on all articles should be at the same, or a horizontal rate. Some articles will bear a much higher revenue duty than others. Below the maximum of the revenue standard may and ought to discriminate in the rates imposed, taking care so to adjust

them on different articles as to produce in the aggregate the amount which, when added to the proceeds of sales of public lands, may be needed to pay the economical expenses of the government.

In levying a tariff of duties, Congress exercise the taxing power, and for purposes of revenue may select the objects of taxation. They may exempt certain articles altogether, and permit their importation free of duty. On others they may impose low duties. In these classes should be embraced such articles of necessity as are in general use, and especially such as are consumed by the laborer and the poor, as well as by the wealthy citizen. Care should be taken that all the great interests of the country, including manufactures, agriculture, commerce, navigation, and the mechanic arts, should, as far as may be practicable, derive equal advantages from the incidental protection which a just system of revenue duties may afford. Taxation direct or indirect, is a burden, and it should be so imposed as to operate as equally as may be, on all classes, in the proportion of their ability to bear it. To make the taxing power an actual benefit to one class, necessarily increases the burden of the other beyond their proportion, and would be manifestly unjust. The terms "protection to domestic industry," are of popular import; but they should apply under a just system to all the various branches of industry in our country. The farmer or planter who toils yearly in his fields, is engaged in "domestic industry," and is as much entitled to have his labor "protected," as the manufacturer, the man of commerce, the navigator, or the mechanic, who are engaged also in "domestic industry," in their different pursuits. The joint labors of all these classes constitute the aggregate of the "domestic industry" of the nation, and they are equally entitled to the nation's "protection." No one of them can justly claim to be exclusive recipients of "protection," which can only be afforded by increasing burdens on the "domestic industry" of the others.

If these views be correct, it remains to inquire how far the tariff act of 1842 is consistent with them. That many of the provisions of that act are in violation of the cardinal principles here laid down, all must concede. The rates of duty imposed by it on some articles are prohibitory, and on others so high as greatly to diminish importations; and to produce a less amount of revenue than would be derived from lower rates. They operate as "protection merely," to one branch of "domestic industry," by taxing other branches.

By the introduction of minimums, or assumed and false values, and by the imposition of specific duties, the injustice and inequality of the act of 1842, in its practical operations on different classes and pursuits, are seen and felt. Many of the oppressive duties imposed by it, under the operation of these principles, range from one per cent. to more than two hundred per cent. They are prohibitory on some articles, and partially so on others, and bear most heavily on articles of common necessity, and but lightly on articles of luxury. It is so framed that much the greatest burden which it imposes is thrown on labor and the poorer classes who are least able to bear it, while it protects capital and exempts the rich from paying their just proportion of the taxation required for the support of government. While it protects the capital of the wealthy manufacturer, and his profits, it does not benefit the operative or laborer in his employment, whose wages have not been increased by it. Articles of prime necessity or of coarse quality and low price, used by the masses of the people, are, in many instances, subjected by it to heavy taxes, while articles of finer quality and higher price, or of luxury, which can be used only by the opulent, are lightly taxed. It imposes heavy and unjust burdens on the farmer, the planter, the Commercial man, and those of all other pursuits except the capitalist who has made his investments in manufactures. All the great interests of the country are not, as nearly as may be practicable, equally protected by it.

The government in theory knows no distinction of persons or classes, and should not bestow upon some favors and privileges which all others may not enjoy. It was the purpose of its illustrious founders to base the institutions which they reared upon the great and unchanging principles of justice and equity, conscious that if administered in the spirit in which they were conceived, they would be felt only by the benefits which they diffused, and would secure for themselves a defence in the hearts of the people, more powerfully than standing armies, and all the means and appliances invented to sustain governments founded in injustice and oppression.

The well-known fact that the tariff act of 1842 was passed by a majority of one vote in the Senate, and two in the House of Representatives, and that some of those who felt themselves constrained, under the peculiar circumstances existing at the time, to vote in its favor, proclaimed its defects, and expressed their determination to aid in its modification on the first opportunity, affords strong and conclusive evidence that it was not intended to be permanent, and of the expediency and necessity of its thorough revision.

In recommending to Congress a reduction of the present rates of duty, and a revision and modification of the act of 1842, I am far from entertaining opinions unfriendly to the manufacturers.—On the contrary, I desire to see them prosperous, as far as they can be so, without imposing unequal burdens on other interests. The advantage under any system of indirect taxation, even within the revenue standard, must be in